DOCUMENT RESUME

ED 184 622 JC 800 173

TITLE The Effects of Tuition Increases on Virginia Community College Enrollments.
INSTITUTION Virginia State Dept. of Community Colleges, Richmond.
PUB DATE Mar 79
NOTE 10p.

EDRS PRICE MF01/PC01 Plus Postage.
DESCRIPTORS Adult Students; Age Differences; *Community Colleges; *Enrollment Influences; *Enrollment Trends; Nontraditional Students; Part Time Students; Population Trends; State Colleges; State Surveys; Student Financial Aid; Trend Analysis; *Tuition; Two Year Colleges; Two Year College Students
IDENTIFIERS *Virginia

ABSTRACT

To determine whether tuition increases would adversely affect enrollments in the Virginia Community College System (VCCS), the status of VCCS tuition and enrollments and tuition's role among college enrollment planning variables were examined, and the variables that influence student enrollment trends were analyzed. The study revealed that the $300 tuition charged by VCCS in 1977-78 was the median value for community colleges in the 14 Southern Regional Education Board states. An examination of VCCS tuition in relation to state per capita income and fall headcount enrollments for the years when tuition increased (i.e., 1970, 1972, 1976, and 1977) showed increases in enrollments; increases that were doubtlessly influenced by factors such as the maturation of "baby boom" children and an increasing inflation rate. The study also focused on trends among enrollment planning variables, including: (1) the decline in the number of traditional college-aged individuals; (2) the increase in the percentage of students from older (24 to 34 years) age groups; (3) the increase in the percentage of part-time students; and (4) the greater sensitivity of older, part-time students to tuition increases. Finally, the study indicated that while student financial assistance can help offset the effects of higher tuition, the number of awards from federal sources and their dollar amounts are leveling off or decreasing. (JP)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED184622

THE EFFECTS OF TUITION INCREASES ON VIRGINIA COMMUNITY COLLEGE ENROLLMENTS

Office of Institutional Studies and Reports

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

Virginia Community College System

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

U S DEPARTMENT OF HEALTH, EDUCATION & WELFARE NATIONAL INSTITUTE OF EDUCATION

THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY

System Offices
Virginia Community College System
P. O. Box 1558
Richmond, Virginia 23212

March 1979

JC 800 173

TUITION AND ENROLLMENTS

It is certain that relatively low tuition rates have abetted the mission and enrollments of the Virginia community colleges by offering educational opportunities to the Commonwealth's citizens at a cost most can afford. It is also true that past tuition increases did not have an adverse effect on community college enrollment growth. Therefore, this study on the impact tuition increases would have on the colleges' enrollments is futuristic. The study attempts to answer the question: Are there conditions among community college enrollment planning variables which indicate that future tuition increases may adversely impact community college enrollments? To answer this question, the study is organized to include (1) status of VCCS tuition and enrollment, (2) tuition's role among college enrollment planning variables, (3) analysis of data variables which influence student enrollment trends, and (4) conclusions. While there is no known empirical model which can directly answer the question about tuition's impact on enrollments, we hold the thesis that data trends among enrollment planning variables indicate that future tuition increases may indeed adversely impact community college enrollments.

Status of VCCS Tuition and Enrollments

The results of a recent study by the Southern Regional Education Board (SREB) on tuition and required fees of the 14 SREB states are shown in Table 1. These results indicate that, for the 1977-78 school year, the $300 tuition charged by the VCCS is the median value for community colleges. That is, half the other community colleges charge more and half charge less. If, however, VCCS tuition is increased as much as 16 percent, and other states' tuitions remain stable, VCCS fees will be higher than nine of the other 13 states and lower than only four.

Another indication of the status of the VCCS tuition and enrollments is shown in Table 2. This table presents (for 1970, 1972, 1976, and 1977) VCCS tuition, per capita income, tuition as a percentage of per capita income, and fall headcount. Any definite trends relating to the effects of tuition increases are difficult to see in the table. The data shows tuition becoming a smaller portion of the per capita income from 1972 on. The impact of tuition increases on fall headcount is not discernable since fall headcount grew from 27,938 in 1970 to 94,306 in 1977.

TABLE 1

TUITION AND REQUIRED FEES FOR RESIDENT UNDERGRADUATES

AT PUBLIC INSTITUTIONS, SREB STATES

1977-78

	Large Doctoral	Smaller Doctoral	Master's	Other Four-Year	Two-Year Branches	Community and Technical Colleges
SREB STATES	$639	$660	$563	$494	$354	$300
Alabama	600	645	557	480	...	231[a]
Arkansas	460	...	460	460	354	280[b]
Florida	709	709	709	...	...	352
Georgia	740	740	580	580	...	424
Kentucky	678	642	596	...	...	409
Louisiana	440	386	416	384	244	310
Maryland	805	...	768	...	...	413
Mississippi	...	675	563	...	...	260
North Carolina	541	580	533	507	...	139
South Carolina	732	830	635	612	630	306
Tennessee	495	450	490	...	...	252
Texas[c]	232-358	256-342	224-348	136	...	96-330[d]
Virginia	740	857	769	869	480	300
West Virginia	425	...	344	324	344	264

NOTE: Annual tuition includes two semesters or three quarters. State entries are mean tuition weighted by enrollment across each of the institutions in a group. Regional figures are median values of the individual weighted means of each state, Texas not included.

[a]Data for junior colleges; fees for technical colleges are $184.
[b]$280 in-district; $400 out-of-district.
[c]Range: means not provided.
[d]$118-453 out-of-district.

SOURCE: SREB data exchange with state higher education agencies.

TABLE 2

VCCS TUITION, VIRGINIA PER CAPITA INCOME,

AND FALL HEADCOUNT DURING YEARS OF

TUITION INCREASE

Year	Tuition	Virginia Per Capita	Tuition As % of Per Capita Income	Fall Headcount
1970	180	3712	4.8	27,938
1972	225	4400	5.1	42,308
1976	300	6341	4.7	85,464
1977	300	6865	4.4	94,306

SOURCE: U. S. Department of Commerce, Bureau of Economic Analysis, Survey of Current Business (August 1978). VCCS staff.

Two socioeconomic variables contaminate the relationships presented in Table 2. First, the past 10 years have been a period of rapid growth of college enrollment due to maturation of children from the "baby boom". Any adverse effects of a tuition increase may have been absorbed by the increase of potential students. The second contaminating effect is the increasing inflation rate. Even with growth in per capita income, double digit inflation can consume enough of one's income to inhibit participation in a college education which tuition increases make more expensive.

Tuition and Enrollment Planning

Nationally, enrollment planning for higher education institutions has involved two concepts. The first is institutional attractiveness -- those elements which lead prospective students to enroll at a college. It is assumed that students will be attracted to an institution because of its mission; particular mix of academic programs; its faculty's reputation for learning and instruction; adequate student services functions and learning center resources; and its image produced by the campus environment and public relations. Enrollment planning studies on institutional attractiveness range from community needs surveys to follow-up studies on graduates. The second enrollment planning concept

relates the college/university to the marketplace. The public's need for higher education is evaluated through data-based studies on student enrollment trends, changes in population growth and characteristics, shifts in business-industry labor demands, the availability of student financial assistance, and the press of state and national economic factors on enrollments. A study of tuition and enrollments rightfully belongs with assessments made on data variables of the marketplace. Therefore, the next section of this study will review data trends pertaining to population growth, student age, full-time and part-time student mix, and student financial assistance.

Tuition and Enrollment Planning Variables

Certain data trends among enrollment planning variables indicate that future tuition increases may adversely impact community colleges.

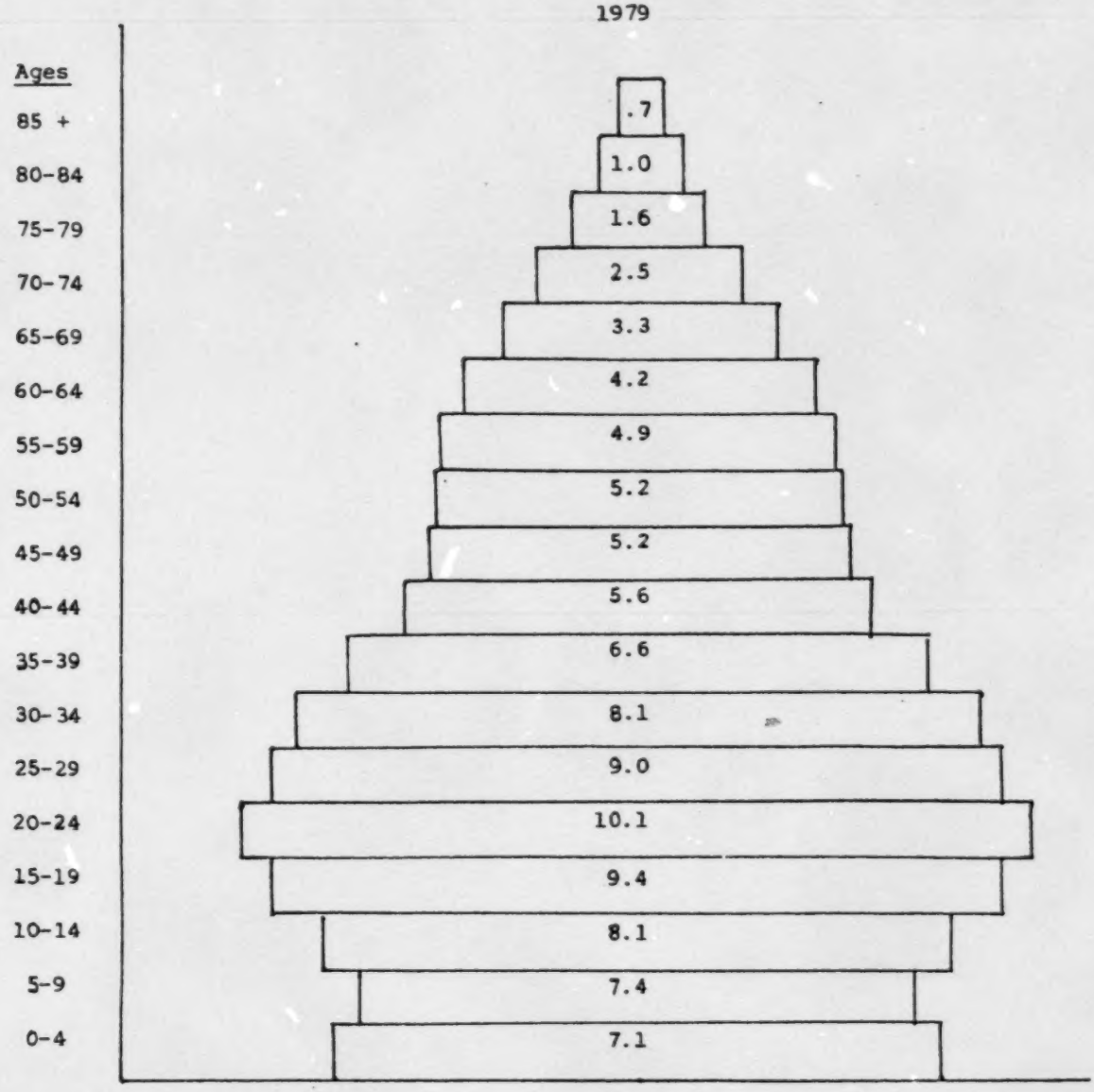
Population and Ages Student Characteristics One of the most important variables affecting tuition at this point in time is the population base. Population data are used by the State Council on the system for enrollment planning. We are all aware of the impact that the post WWII "baby boom" has had on the nation. All institutions from hospitals to elementary schools, to high schools, to colleges have been literally exploded as this wave of school-college age cohorts swept through them. The colleges experienced their greatest growth as a result of the boom generation. This wave of people, however, has crested for the traditional college-going population, and the number of individuals of traditional college-going age is beginning to decline. Figures 1 through 3 show the nation's population trends for 1979, 1981, and 1985 respectively. Clearly, Figure 1 shows that the bulk of the population is greatest at the 20 to 24 year group and begins a rapid decline afterward. By 1985, Figure 3 shows the older age groups are becoming heaviest in numbers, and the younger, traditional college age groups are becoming smaller. If college attendance rates remain the same, this would indicate a decrease in the number of college students within this age group.

The national data trends above are born out by Virginia's population data. The decreasing numbers of college age persons may be highlighted by Table 3 which shows the number of high school graduates (actual and projected) for the years 1975 through 1985. This table shows an increase from 66,073 in 1975 to a peak of $70,200 in 1978, then a decrease of 61,600 by 1985. If colleges are to maintain current enrollment levels, they must draw heavily upon the nontraditional older student age groups.

FIGURE 1

NATIONAL POPULATION PERCENTAGES BY AGE GROUPS

1979

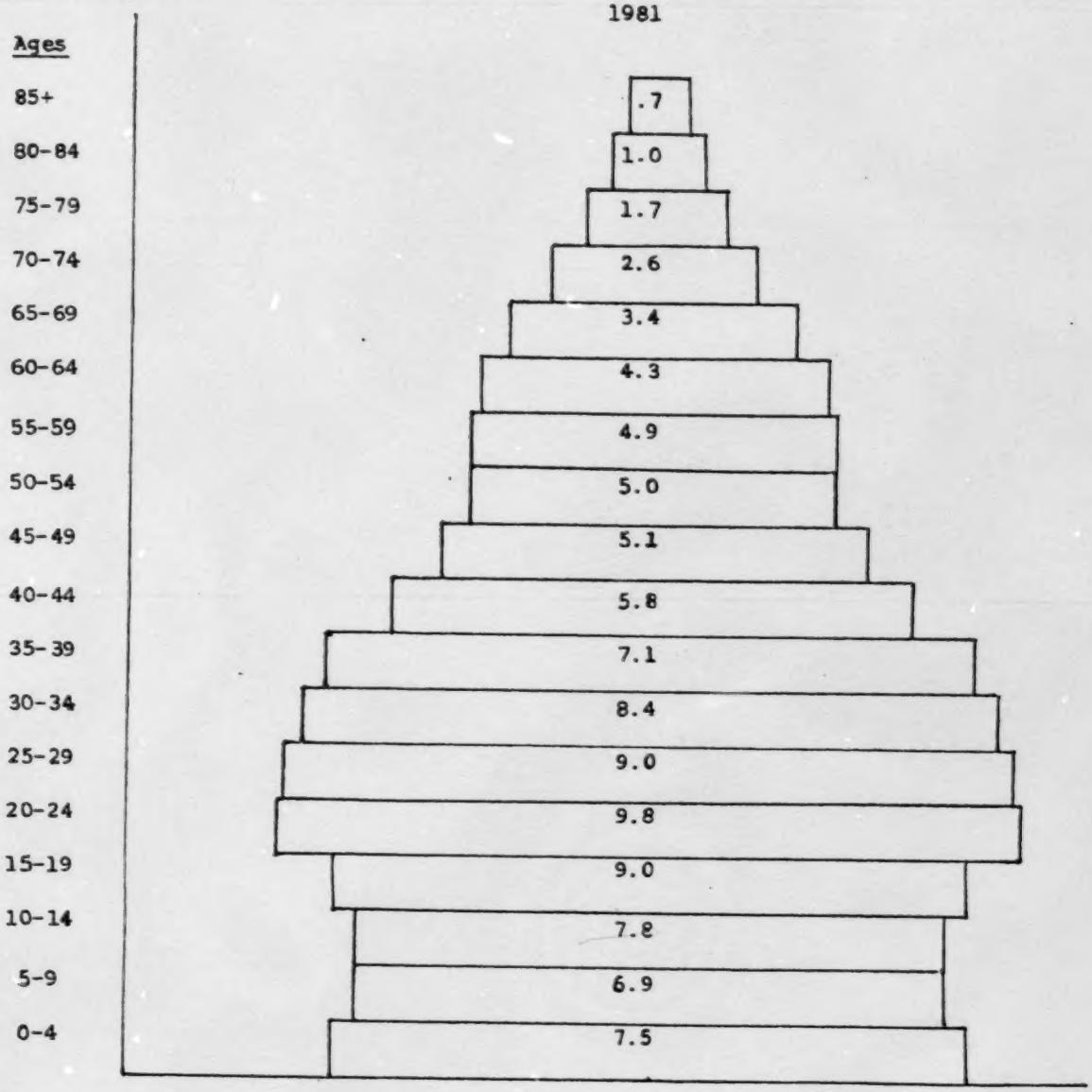


Percent of Population Within Each Age Category

FIGURE 2

NATIONAL POPULATION PERCENTAGES BY AGE GROUPS

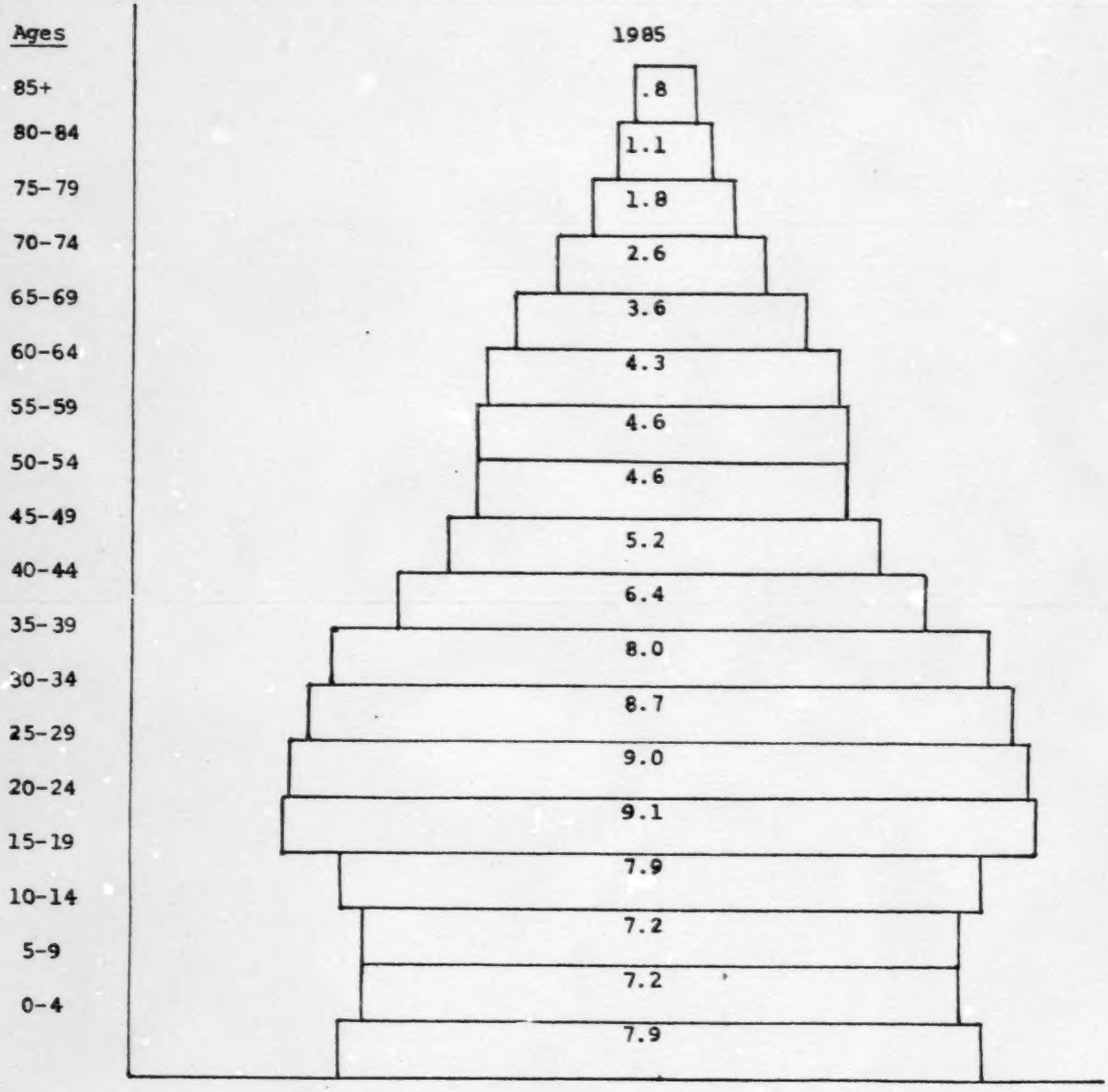
1981



Percent of Population by Age Category

FIGURE 3

NATIONAL POPULATION PERCENTAGES BY AGE GROUPS



Percent of Population Within Each Age Category

TABLE 3

PROJECTED HIGH SCHOOL GRADUATES

1975-85*

Year	Graduates	Year	Graduates
1975	66,073	1981	69,000
1976	67,700	1982	64,800
1977	69,000	1983	60,900
1978	70,200	1984	59,200
1979	69,400	1985	61,600
1980	69,200		

SOURCE: State Board of Education, October 1977

TABLE 4

VCCS STUDENT ENROLLMENTS

BY AGE AND PERCENT OF TOTAL

	1977		1978	
	N	%	N	%
Under 18	2,229	2	1,540	2
18-21	29,494	31	29,870	30
22-24	13,478	14	14,431	14
25-34	30,385	32	32,483	33
35-44	11,381	12	13,065	13
45-	7,339	8	8,292	8
Total		100		100

Community colleges have led the way in attracting students from varying age groups. Table 4 shows by age the percent of students enrolled in the VCCS for the years 1977 and 1978. Note that 32 and 33 percent, respectively, of the students are in the 25 to 34 year age bracket. Indeed, we might expect that the larger percent of students will come from older groups as the "boom babies" mature.

An important trend which has developed because of the "boom" maturity is the increase of part-time students. Older students support families and must attend school on a limited basis. Figure 4 shows the percentage of full versus part-time students for the years 1970-1978. Part-time students have increased from 43 to 70 percent.

All population and student age data are particularly important in considering tuition because, as the Wisconsin[1] study showed, the older student is more responsive to tuition increase. Estimates indicate that each $100 increase in tuition results in between 1% and 4% drop in enrollment, with older students reflecting the top end of the estimate.

Financial Assistance Many institutions feel that the effects of higher tuition are offset by financial assistance to students. Indeed, grants, work study, and other forms of aid (loans, etc.) can help maintain enrollments, (loans, etc.). Table 5 shows the number of awards and loans, the dollar amounts, and the number of unduplicated awards of financial assistance received by VCCS students for year 1976 to 1977 in all categories. Only slight increases in dollar amounts have occurred during these years. A continuation of this trend could prove damaging especially in light of a possible tuition increase.

TABLE 5

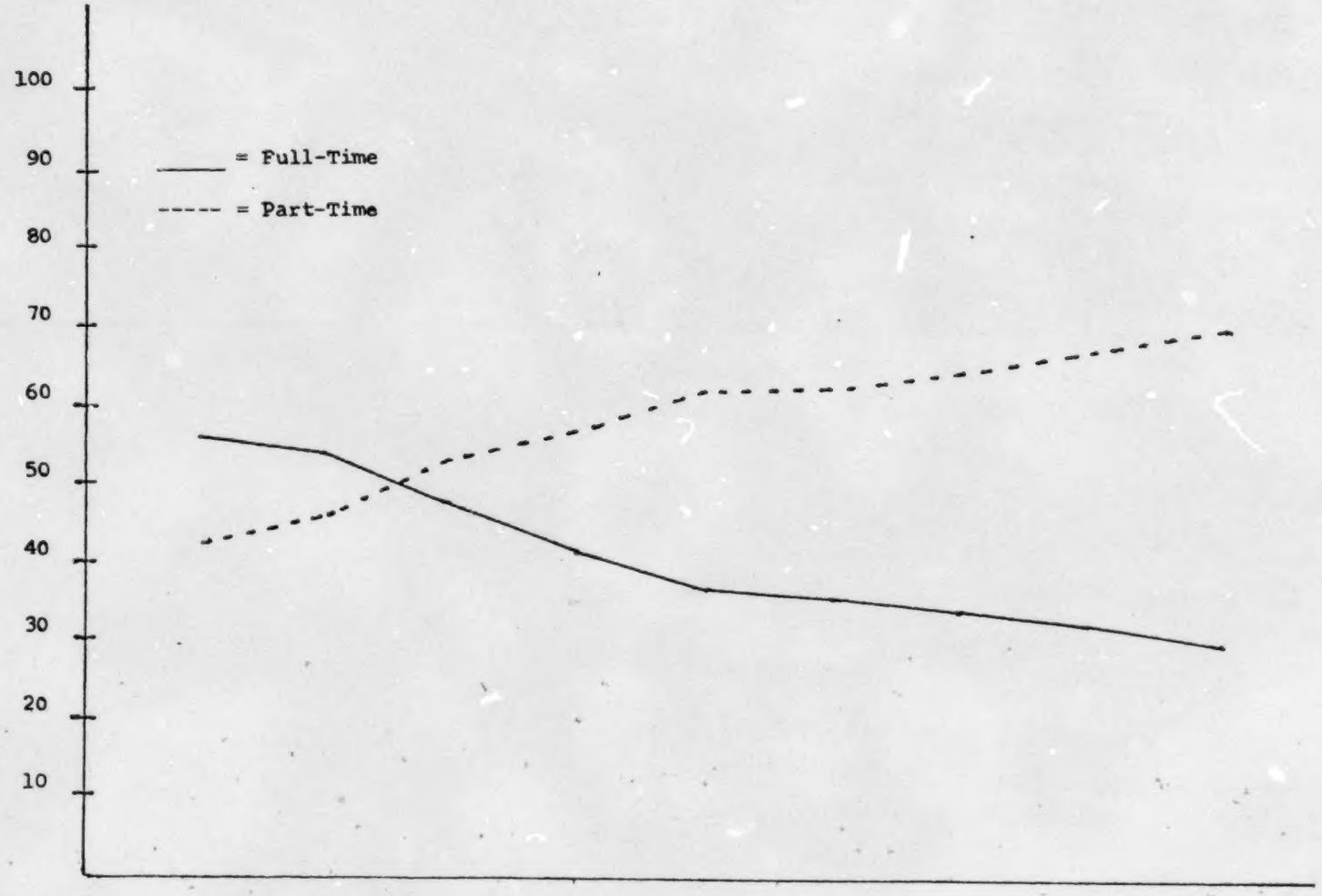
FINANCIAL ASSISTANCE TO VCCS STUDENTS

	1976	1977	1978
No. of Awards & Loans	15,691	18,504	19,076
Dollar Amount	8,148,454	9,926,616	10,161,172
No. of Unduplicated Recipients	9,793	12,087	12,657

[1]From Intellect, February, 1975, p. 283.

FIGURE 4

% PART/FULL TIME FALL ENROLLMENTS



	1970	1971	1972	1973	1974	1975	1976	1977	1978
FULL-TIME	57	54	47	43	38	37	35	33	30
PART-TIME	43	46	53	57	62	63	65	67	70

Another source of assistance for higher education has come from the Veterans Administration Office. Vast numbers of veterans have had their college expenses paid by the government. This source, however, is in a state of rapid decline. The Veterans Administration was instructed that all veterans benefits awarded to those who separated on or after January 1, 1955 must be used within 10 years of separation from the service or May 31, 1976, whichever comes later. This caused a substantial drop in veterans' enrollment in 1976 and will be followed by a steady decline through 1989. No exact figures are available on Veterans Administration benefits in the VCCS before 1976, but the total number of VCCS students receiving Veterans Administration money in October, 1976 was 12,092. This dropped to 11,322 in 1977 and 9,420 in 1978. The loss of this support could increase the adverse impact of a tuition increase.

Conclusions

There are at present, no direct methods for determining the effect a tuition increase would have on VCCS students. The examination in the previous sections, however, of a number of variables may shed light on the issue. The results of this examination may be summarized as follows:

1. If tuitions in other states remain the same and VCCS raises tuition as little as 16%, VCCS fees will be higher that 69% of the SREB states.

2. Population estimates show a declining number of traditional college age citizens and this makes low tuition important to maintaining enrollments.

3. Older part-time students are especially responsive to tuition levels, and older students should come to make-up a larger portion of VCCS future enrollments.

4. Federal financial assistance, in the form of grants, loans, work-study funds, and Veterans Administration benefits are leveling off or declining despite an increasing enrollment.

Although these events are not direct correlates of students' ability to pay college tuition, they seem to indicate that an increase would have adverse effects on the VCCS total enrollment picture.

UNIVERSITY OF CALIFORNIA
ERIC CLEARINGHOUSE FOR
JUNIOR COLLEGES
96 POWELL LIBRARY BUILDING
LOS ANGELES, CALIFORNIA 90024
EE 36

MAY 23 1980